

FIRST ENGROSSMENT

Fifty-fifth  
Legislative Assembly  
of North Dakota

ENGROSSED SENATE BILL NO. 2371

Introduced by

Senators Kinnoin, Urlacher, Yockim

Representatives Nichols, Rennerfeldt, Skarphol

1 A BILL for an Act to create and enact a new subsection to section 57-51.1-03 of the North  
2 Dakota Century Code, relating to an oil extraction tax exemption for initial production from wells  
3 on tribal trust lands; and to provide an effective date.

4 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

5 **SECTION 1.** A new subsection to section 57-51.1-03 of the 1995 Supplement to the  
6 North Dakota Century Code is created and enacted as follows:

7 The initial production of oil from a well is exempt from any taxes imposed under  
8 this chapter for a period of sixty months if:

- 9 a. The well is located within the boundaries of an Indian reservation;
- 10 b. The well is drilled and completed on lands held in trust by the United States  
11 for an Indian tribe or individual Indian; or
- 12 c. The well is drilled and completed on lands held by an Indian tribe if the  
13 interest is in existence on the effective date of this Act.

14 **SECTION 2. EFFECTIVE DATE.** This Act is effective for production from wells drilled  
15 and completed after July 31, 1997.